

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1525
ANSWERED ON:09.03.2007
CIRCULATION OF SMALL DENOMINATION COINS
Sugavanam Shri E.G.

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has banned the circulation of small denomination coins;
- (b) if so, the details thereof; (
- (c) whether the Government has issued instructions to accept all denomination coins to all agencies;
- (d) if so, the details thereof;
- (e) whether several business establishments including banks refuse to accept small denomination coins;
- (f) if so, the reasons therefor; and
- (g) the steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

- (a): No Sir.
- (b) : Does not arise.
- (c): RBI has issued circulars in October, 2003 and April, 2004 instructing banks to accept coins of all denominations without restriction from the public for exchange or credit into their accounts. Press Releases have also been issued from time to time (last on October 23, 2006)
- (d): No complaint has been received.
- (e): No Sir.
- (f) & (g) : Does not arise.